a site for use as a State-owned veterans cemetery.

- (e) Operation and Maintenance Project means a project that assists a State to achieve VA's national shrine standards of appearance in the key cemetery operational areas of cleanliness, height and alignment of headstones and markers, leveling of gravesites, and turf conditions.
- (f) Secretary means the Secretary of the United States Department of Veterans Affairs.
- (g) State means each of the States, Territories, and possessions of the United States, the District of Columbia, and the Commonwealth of Puerto Rico.
- (h) State Cemetery Grants Service (SCGS) means the State Cemetery Grants Service within VA's National Cemetery Administration (NCA).
- (i) VA means the United States Department of Veterans Affairs or the State Cemetery Grants Service.
- (j) *Veteran* means a person who served in the active military, naval, or air service and who died in line of duty while in service or was discharged or released under conditions other than dishonorable.

(Authority: 38 U.S.C. 101, 501, 2408)

§39.3 Priority list.

- (a) The priority groups, with Priority Group 1 having the highest priority and Priority Group 4 the lowest priority, are:
- (1) Priority Group 1—Projects needed to avoid disruption in burial service that would otherwise occur at existing veterans cemeteries within 4 years of the date of the preapplication. Such projects would include expansion projects as well as improvement projects (such as construction of additional or replacement facilities) when such improvements are required to continue interment operations.
- (2) Priority Group 2—Projects for the establishment of new veterans cemeteries.
- (3) Priority Group 3—Expansion projects at existing veterans cemeteries when a disruption in burial service due to the exhaustion of existing gravesites is not expected to occur within 4 years of the date of the preapplication.

- (4) Priority Group 4—Improvement projects for cemetery landscaping or infrastructure, such as building expansion and upgrades to roads and irrigation systems, that are not directly related to the development of new gravesites. Operation and Maintenance Projects that address NCA's national shrine standards of appearance are included in this group.
- (b) Within Priority Groups 1, 2, and 3, highest priority will be given to projects in geographical locations with the greatest number of veterans who will benefit from the project as determined by VA. This prioritization system, based on veteran population data, will assist VA in maintaining and improving access to burial in a veterans cemetery to more veterans and their eligible family members. Within Priority Group 1, at the discretion of VA, higher priority may be given to a project that must be funded that fiscal year to avoid disruption in burial service
- (c) Grants for projects within Priority Group 4 will be awarded in any fiscal year only after grants for all project applications under Priority Groups 1, 2, and 3 that are ready for funding have been awarded. Within Priority Group 4, projects will be ranked in priority order based upon VA's determination of the relative importance of proposed improvements and the degree to which proposed Operation and Maintenance Projects achieve NCA national shrine standards of appearance. No more than \$5 million in any fiscal vear will be awarded for Operation and Maintenance Projects under Priority Group 4.
- (d) By August 15 of each year, VA will make a list prioritizing all preapplications that were received on or before July 1 of that year and that were approved under §39.31 or §39.81, ranking them in their order of priority within the applicable Priority Group for funding during the fiscal year that begins the following October 1. Preapplications from previous years will be re-prioritized each year and do not need to be resubmitted.

(Authority: 38 U.S.C. 501, 2408)